

§ 21.258

38 CFR Ch. I (7–1–08 Edition)

(1) An analysis of the economic viability of the proposed small business plan;

(2) A cost analysis which specifies the amount and type of assistance, if any, which VA would be committed to furnish;

(3) Provision for development of a market for the veteran's services during the period of rehabilitation to the point of employability, and/or employment services;

(4) A suitable occupational objective in which employment can normally be secured in the public or private sector;

(5) Training necessary for the operation of a successful small business;

(6) Availability of non-VA financing, including the veteran's financial resources, local banks and other sources;

(7) Coordination with the Small Business Administration to secure special consideration under section 8 of the Small Business Act, as amended;

(8) The location of the site selected for the business and the cost of the site, if any.

(Authority: 38 U.S.C. 3104(a)(12))

§ 21.258 Special assistance for veterans in self-employment.

(a) *General.* A veteran in a self-employment program is eligible for certain special assistance in addition to the services for which veterans in a vocational rehabilitation program are generally eligible under the provisions of § 21.252. A veteran may be provided the assistance described under § 21.214 to the extent of his or her eligibility for such services as determined under paragraphs (b) and (c) of this section and § 21.254(c).

(Authority: 38 U.S.C. 3116, 3117)

(b) *Special services for the most severely disabled veterans.* Special services listed in § 21.214(e) shall be provided as necessary for the most severely disabled veterans. The term *most severely disabled veteran* means a veteran who has been determined to have a serious employment handicap and limitations on employability arising from the effects of disability (service-connected and nonservice-connected) which necessitates selection of self-employment as

the veteran's vocational goal. This category includes veterans requiring:

(1) Homebound training and self-employment; or

(2) Self-employment for other reasons even though the veteran is able to pursue training on other than a homebound basis, e.g., lack of suitable employment opportunities in the area.

(Authority: 38 U.S.C. 3104(a)(12))

(c) *Special services for other veterans.* Special services described in § 21.214(e) may be furnished to a veteran with a serious employment handicap if the veteran also meets the following conditions:

(1) Self-employment is clearly shown to be the soundest method of achieving rehabilitation; or

(2) Self-employment is selected as an alternative to retaining the veteran in another occupation, and the cost of a self-employment program will not exceed the cost of retraining in another occupation.

(d) *Assisting a veteran with an employment handicap to become self-employed.* A veteran with an employment handicap may not be furnished any of the special services described in § 21.214(e). However, if it is determined that consideration of self-employment is warranted, VA may provide:

(1) Incidental training in the management of a small business;

(2) License or other fees required for employment and self-employment; and

(3) The tools and supplies which would ordinarily be required for the veteran to begin employment in the field in which the veteran has trained.

(Authority: 38 U.S.C. 3104(a)(12))

[49 FR 40814, Oct. 18, 1984; 50 FR 9622, Mar. 11, 1985, as amended at 55 FR 25975, June 26, 1990; 55 FR 28511, July 11, 1990]

MONETARY ASSISTANCE SERVICES

§ 21.260 Subsistence allowance.

(a) *General.* A veteran participating in a rehabilitation program under 38 U.S.C. Chapter 31 will receive a monthly subsistence allowance at the rates in paragraph (b) of this section, unless the veteran elects to receive payment at the rate of monthly educational assistance allowance payable under 38 U.S.C.

Department of Veterans Affairs

\$21.260

Chapter 30 for the veteran's type of training. See §21.264 for election of payment at the Chapter 30 rate and §§21.7136, 21.7137, and 21.7138 to determine the applicable Chapter 30 rate.

(Authority: 38 U.S.C. 3108(a), 3108(f))

(b) *Rate of payment.* VA pays subsistence allowance at the rates stated in the following tables:

(1) Subsistence allowance is paid at the following rates effective October 1, 1994, and before November 2, 1994:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional:¹				
Full-time	\$374.93	\$465.08	\$548.05	\$39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Nonpay or nominal pay on-job training in a Federal, State, or local agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	374.93	465.08	548.05	39.95
Nonpay or nominal pay work experience in a Federal, State, or local agency:				
Full-time	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Farm cooperative, apprenticeship, or other on-job training: ²				
Full-time only	327.81	396.44	456.88	29.71
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	374.93	465.08	548.05	39.45
OJT greater than ½ time	327.81	396.44	456.88	29.71
Non-farm cooperative (Full-time only):				
Institutional	374.93	465.08	548.05	39.95
On-job	327.81	396.44	456.88	29.71
Improvement of rehabilitation potential:				
Full-time only	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
¼ time ³	94.24	116.78	137.27	10.24

¹For measurement of rate of pursuit, see §§21.4270 through 21.4275.

²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

³The quarter-time rate may be paid only during extended evaluation.

(2) Subsistence allowance is paid at the following rates effective November 2, 1994, and before October 1, 1995:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional:¹				
Full-time	\$374.93	\$465.08	\$548.05	\$39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	374.93	465.08	548.05	39.95
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Farm cooperative, apprenticeship, or other on-job training: ²				
Full-time only	327.81	396.44	456.88	29.71
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	374.93	465.08	548.05	39.45

§ 21.260

38 CFR Ch. I (7–1–08 Edition)

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
OJT greater than ½ time	327.81	396.44	456.88	29.71
Non-farm cooperative (Full-time only):				
Institutional	374.93	465.08	548.05	39.95
On-job	327.81	396.44	456.88	29.71
Improvement of rehabilitation potential:				
Full-time only	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
¼ time ³	94.24	116.78	137.27	10.24

¹ For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.
² For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.
³ The quarter-time rate may be paid only during extended evaluation.

(3) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1995, and before October 1, 1996:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$385.80	\$478.57	\$563.94	\$41.11
¾ time	289.88	359.45	421.64	31.62
½ time	193.96	240.33	282.50	21.08
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	385.80	478.57	563.94	41.11
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or Indian tribe agency:				
Full-time	385.80	478.57	563.94	41.11
¾ time	289.88	359.45	421.64	31.62
½ time	193.96	240.33	282.50	21.08
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	337.32	407.94	470.13	30.57
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	385.80	478.57	563.94	41.11
OJT greater than ½ time ²	337.32	407.94	470.13	30.57
Non-farm cooperative (Full-time only):				
Institutional	385.80	478.57	563.94	41.11
On-job ²	337.32	407.94	470.13	30.57
Improvement of rehabilitation potential:				
Full-time only	385.80	478.57	563.94	41.11
¾ time	289.88	359.45	421.64	31.62
½ time	193.96	240.33	282.50	21.08
¼ time ³	96.97	120.17	141.25	10.54

¹ For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.
² For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.
³ The quarter-time rate may be paid only during extended evaluation.

(4) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1996, and before October 1, 1997:

Department of Veterans Affairs

\$ 21.260

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$396.22	\$491.49	\$579.17	\$42.22
¾ time	297.71	369.16	433.02	32.47
½ time	199.20	246.82	290.13	21.65
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	396.22	491.49	579.17	42.22
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	396.22	491.49	579.17	42.22
¾ time	297.71	369.16	433.02	32.47
½ time	199.20	246.82	290.13	21.65
Farm cooperative, apprenticeship, or other on-job training (OJT) ²				
Full-time only	346.43	418.95	482.82	31.40
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	396.22	491.49	579.17	42.22
OJT greater than ½ time ²	346.43	418.95	482.82	31.40
Non-farm cooperative (Full-time only):				
Institutional	396.22	491.49	579.17	42.22
On-job ²	346.43	418.95	482.82	31.40
Improvement of rehabilitation potential:				
Full-time only	396.22	491.49	579.17	42.22
¾ time	297.71	369.16	433.02	32.47
½ time	199.20	246.82	290.13	21.65
¼ time ³	99.59	123.41	145.06	10.82

¹ For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.
² For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.
³ The quarter-time rate may be paid only during extended evaluation.

(5) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1997, and before November 1, 1998:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$407.31	\$505.25	\$595.39	\$43.40
¾ time	306.05	379.50	445.14	33.38
½ time	204.78	253.73	298.25	22.26
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	407.31	505.25	595.39	43.40
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	407.31	505.25	595.39	43.40
¾ time	306.05	379.50	445.14	33.38
½ time	204.78	253.73	298.25	22.26
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	356.13	430.68	496.34	32.28
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	407.31	505.25	595.39	43.40
OJT greater than ½ time ²	356.13	430.68	496.34	32.28
Non-farm cooperative (Full-time only):				
Institutional	407.31	505.25	595.39	43.40
On-job ²	356.13	430.68	496.34	32.28
Improvement of rehabilitation potential:				
Full-time only	407.31	505.25	595.39	43.40
¾ time	306.05	379.50	445.14	33.38
½ time	204.78	253.73	298.25	22.26

§ 21.260

38 CFR Ch. I (7–1–08 Edition)

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
1/4 time ³	102.38	126.87	148.09	11.12

¹For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.
²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.
³The quarter-time rate may be paid only during extended evaluation.

(6) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1998, and before October 1, 1999:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$413.83	\$513.33	\$604.92	\$44.09
3/4 time	310.95	385.57	452.26	33.91
1/2 time	208.06	257.79	303.02	22.62
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	413.83	513.33	604.92	44.09
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	413.83	513.33	604.92	44.09
3/4 time	310.95	385.57	452.26	33.91
1/2 time	208.06	257.79	303.02	22.62
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	361.83	437.57	504.28	32.80
Combination of institutional and OJT (Full-time only):				
Institutional greater than 1/2 time	413.83	513.33	604.92	44.09
OJT greater than 1/2 time ²	361.83	437.57	504.28	32.80
Non-farm cooperative (Full-time only):				
Institutional	413.83	513.33	604.92	44.09
On-job ²	361.83	437.57	504.28	32.80
Improvement of rehabilitation potential:				
Full-time only	413.83	513.33	604.92	44.09
3/4 time	310.95	385.57	452.26	33.91
1/2 time	208.06	257.79	303.02	22.62
1/4 time ³	104.02	128.90	151.51	11.30

¹For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.
²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.
³The quarter-time rate may be paid only during extended evaluation.

(7) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1999, and before October 1, 2000:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$420.45	\$521.54	\$614.60	\$44.80
3/4 time	315.93	391.74	459.50	34.45
1/2 time	211.39	261.91	307.87	22.98
Nonpay or nominal pay on-job training in a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor; institutional non-farm cooperative:				

Department of Veterans Affairs

§ 21.264

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Full-time only	420.45	521.54	614.60	44.80
Nonpay or nominal pay work experience in a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	420.45	521.54	614.60	44.80
¾ time	315.93	391.74	459.50	34.45
½ time	211.39	261.91	307.87	22.98
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	367.62	444.57	512.35	33.32
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	420.45	521.54	614.60	44.80
OJT greater than ½ time ²	367.62	444.57	512.35	33.32
Non-farm cooperative (Full-time only):				
Institutional	420.45	521.54	614.60	44.80
On-job ²	367.62	444.57	512.35	33.32
Improvement of rehabilitation potential:				
Full-time	420.45	521.54	\$614.60	\$44.80
¾ time	315.93	391.74	459.50	34.45
½ time	211.39	261.91	307.87	22.98
¼ time ³	105.98	130.96	153.93	11.48

¹ For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.

² For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

³ The quarter-time rate may be paid only during extended evaluation.

(Authority: 38 U.S.C. 3108, 3115(a)(1); Pub. L. 103-446)

(c) *Subsistence allowance precluded.* A veteran may not receive a subsistence allowance when VA is providing the veteran only the following services:

- (1) Initial evaluation;
- (2) Placement and post-placement services under 38 U.S.C. 3105(b); or
- (3) Counseling.

(Authority: 38 U.S.C. 3108 (a)(1) and (a)(3))

(d) *Dependents.* The term *dependent* means a spouse, child or dependent parent who meets the definition of relationship specified in §§ 3.50, 3.51, 3.57 or 3.59 of this chapter.

(Authority: 38 U.S.C. 3108(b))

[49 FR 40814, Oct. 18, 1984, as amended at 51 FR 9955, Mar. 24, 1986; 52 FR 42113, Nov. 3, 1987; 54 FR 4283, Jan. 30, 1989; 56 FR 7567, Feb. 25, 1991; 60 FR 4561, Jan. 24, 1995; 65 FR 51764, Aug. 25, 2000; 65 FR 60724, Oct. 12, 2000]

§ 21.262 Procurement and reimbursement of cost for training and rehabilitation services, supplies, or facilities.

(a) *General.* Whenever services, supplies and facilities from source outside VA are required by any of these regulations, they shall be provided through contract, agreement of other coopera-

tive arrangement between VA and the vendor.

(Authority: 38 U.S.C. 3115(b))

(b) *VA Acquisition Regulations.* Payments of charges for training and rehabilitation services, supplies, or facilities, authorized under Chapter 31 are subject to the provisions of applicable VA Acquisition Regulations especially 48 CFR part 831 and subpart 871.2.

(Authority: 38 U.S.C. 3115(a))

§ 21.264 Election of payment at the 38 U.S.C. chapter 30 educational assistance rate.

(a) *Eligibility.* A veteran who applies for, and is found entitled to training or education under Chapter 31, may elect to receive payment at the educational allowance rate and other assistance furnished under Chapter 30, for similar training in lieu of a subsistence allowance, provided the following criteria are met:

(1) The veteran has remaining eligibility for, and entitlement to educational assistance under Chapter 30;

(2) The veteran enrolls in a program of education or training approved for benefits under Chapter 30;